

FISCAL NOTE

HB 199 - SB 1361

March 22, 2007

SUMMARY OF BILL: Creates the "Tennessee Hope Advanced Degree Scholarship" for full-time students seeking advanced degrees. Such students must (1) be enrolled within sixteen (16) months after receiving baccalaureate degrees from regionally accredited postsecondary institutions and (2) meet other specified criteria. The award for such scholarship shall be \$8,000 per year, not to exceed \$24,000 over three years. Prohibits retroactive awarding of scholarship.

ESTIMATED FISCAL IMPACT:

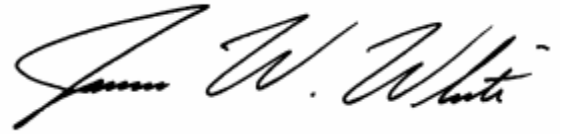
Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$56,000,000 in FY07-08 and by \$61,600,000 in FY08-09.

Assumptions:

- According to the Tennessee Student Assistance Corporation (TSAC), there are approximately 15,000 full-time graduate students in Tennessee; 14,000 of which attend HOPE-eligible institutions.
- 50% (or 7,000 students) are estimated to be eligible for the Tennessee Hope Advanced Degree Scholarship each year.
- First scholarships are awarded for the fall semester of 2007.
- Expenditures of lottery proceeds are estimated to increase by \$56,000,000 in FY07-08 (7,000 students X \$8,000 award = \$56,000,000).
- According to TSAC, an additional 10% (or 700 students) is estimated to become eligible during FY08-09.
- Expenditures of lottery proceeds are estimated to increase by \$61,600,000 in FY08-09 (7,700 students X \$8,000 award = \$61,600,000).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director